BUSINESS, CONSUMER SERVICES, AND HOUSING AGENCY

CALIFORNIA HORSE RACING BOARD

1010 Hurley Way, Suite 300 Sacramento, CA 95825 (916) 263-6000 Fax (916) 263-6042

www.chrb.ca.gov





Los Alamitos Race Course 4961 E. Katella Avenue Los Alamitos, CA 90720

> Contact: Mike Marten (714) 240-1870 MikeM@chrb.ca.gov

CHRB NEWS RELEASE

DECEMBER 16, 2022

SUMMARY OF CHRB ACTIONS AND DISCUSSIONS 12-15-22

The California Horse Racing Board conducted a meeting on Thursday, December 15, 2022, at Cal Expo. Chairman Gregory Ferraro chaired the meeting, joined by Vice Chair Oscar Gonzales and Commissioners Dennis Alfieri, Damascus Castellanos, Brenda Washington Davis, and Thomas Hudnut.

The audio of this entire Board meeting is available on the CHRB Website (<u>www.chrb.ca.gov</u>) under the Webcast link. In brief:

• The Board and presenters discussed the critical issue of federal oversight of horse racing, prompted by court and regulatory challenges to the Horseracing Integrity and Safety Act (HISA), which for now are placing the authority of HISA in jeopardy. Because HISA was scheduled to supersede state oversight of medication and drug testing enforcement on January 1, racing jurisdictions are in somewhat of a legal limbo. However, the message at the Board meeting Thursday was that California is less affected by those uncertainties than most other jurisdictions because, as Josh Rubinstein of Del Mar Thoroughbred Club put it, "Rules that we've put in place are the blueprint for HISA." CHRB Equine Medical Director Dr. Jeff Blea emphasized this point: ""I want to make it very clear: Horsemen in the State of California will still follow CHRB guidelines regarding medication, testing, and enforcement. There will be no substantive change starting January 1." The CHRB has been enforcing federal safety rules since their introduction on July 1, 2022, and that also remains unchanged.

The discussion started with an agenda item that was meant to fund California's fee for HISA enforcement of medication and drug testing. Given that HISA will not be assuming control of these matters on January 1 after all, CHRB Executive Director Scott Chaney said, "I think it's probably best for the Board not to approve this funding mechanism, as there's nothing to fund at this point."

The CHRB will be monitoring developments leading up to the next Board meeting on January 19, at which the issue of HISA will be discussed even more extensively for possible action by the Board.

- Kathy Guillermo, senior vice president for People for the Ethical Treatment of Animals (PETA), gave a presentation against illegal match racing, which is taking place in rural areas of California. She pointed out that horses are being badly abused at those locations. Because State law only gives the CHRB authority over licensed parimutuel wagering activities, the CHRB lacks jurisdiction in those areas. Local law enforcement agencies are giving a low priority to those misdemeanor offenses. But Guillermo, citing CHRB rules, suggested that the CHRB could partially thwart match racing by punishing any CHRB licensee who participates in match racing. She and one other animal rights advocate promised to provide the CHRB with evidence against individual licensees they have identified as participating in match races. Several racing commissioners, chiefly Chairman Ferraro, voiced support for the PETA effort and for investigating possible involvement by licensees. Vice Chair Gonzales stated, "We don't want those bad actors anywhere close to what we're doing." The Board pledged to work with PETA on this animal welfare issue.
- Vice Chair Gonzales reported on the meeting Wednesday of the Jockey and Driver Welfare Committee. The two items on that agenda were proposals to benefit jockeys and other workers at racetracks one proposal to divert some ADW revenue to support health benefits and services for those individuals, the other to provide a breeding right or financial compensation to California jockeys who win certain Grade I races. No action was taken by the committee, other than to encourage industry stakeholders to study the two proposals and to schedule a committee meeting in January to receive additional input on the jockey health care proposal, which involves legislation.
- The Board put over to the January meeting finalization of the Northern California racing calendar in order to give stakeholders more time to negotiate a week of overlap racing between Golden Gate Fields and the Humboldt County Fair.
- The Board approved a two-year license for Xpressbet to continue providing Advance Deposit Wagering (ADW) services in California. Gene Chabrier, vice president of regulatory affairs, said Xpressbet has successfully introduced an alternate selection option to its customers, which involves allowing bettors to specifically identify replacement horses for any horses on their wager that become scratched. This option has been available for years to bettors at brick-and-mortar facilities in California. Xpressbet is the first ADW to provide this option. The CHRB has put the other ADWs on notice that alternate selections will be required in order for them to be relicensed in the future.
- The Board approved a modification of revenue distributions from ADW to support instate simulcasting and marketing.

- The Board authorized the California Thoroughbred Breeders Association to conduct a horse sale at Fairplex Park in Pomona.
- Public comments made during the meeting can be accessed through the meeting audio archive on the CHRB website.